

**External minutes (Final)**

**MINUTES OF CIRENCESTER COLLEGE  
AUDIT COMMITTEE MEETING  
Monday 7<sup>th</sup> March 2022 at 5.00 pm**

**Present:**

Chris Haslam (CH) (via Teams)  
Nicole Saunders (NS) (via Teams)  
Andrew Tubb (AT)  
Julian Tudsbury (JT) Chair  
David Zan-Kreyser (DZK) (via Teams)

**In attendance:**

Angelo Faria (Finance Director) (AF)  
Andrew Foley (ESFA) (AFO)  
Steen Gourlay (TiAA) (SG)  
Drew Keavey (ITSpire Ltd - Consultant) (DK)  
Jeannie Adam (Clerk) (JA)

GC – Governor comment.

GQ – Governor question.

CD – Committee decision.

1. **Apologies**

There were no apologies for the meeting. All committee members were present.

2. **Members Declarations of Interest**

No member declared an interest in any item on the agenda.

3. **ESFA Funding Assurance Audit (Funding year 2020-2021)**

The final report of the ESFA Funding Assurance Review with college responses. (Funding Year 2020-2021) had been circulated with the agenda for the meeting.

AFO introduced himself to the meeting as Senior Audit Manager at KPMG and advised that KPMG carry out funding audits on behalf of the ESFA. There were no funding issues identified in the audit and only a very small number of Management Letter Points (MLPs) identified.

ALO commented that the outcome of the audit was very pleasing and commended the work of the MIS and Finance teams.

There were no questions from the committee. The Chair thanked AFO for the report and his attendance at the meeting.

The committee formally noted the ESFA Funding Assurance Audit (Funding year 2020-2021).

**AFO left the meeting.**

4. **Losses and fraud/whistleblowing (Confidential - included in confidential minutes only)**  
a. **Notification of incidents of losses or fraud since the last meeting on 22<sup>nd</sup> November 2021.**

The details of the discussions are recorded in the confidential internal minutes of the meeting.

- b. **Notification of any whistleblowing incidents since the last meeting on 22<sup>nd</sup> November 2021 (verbal report)**

There have been no whistleblowing incidents since the last meeting.

5. **Minutes of previous meeting (22<sup>nd</sup> November 2021)**  
a. **Confidential internal minutes**

The confidential internal minutes of the Audit Committee meeting on 22<sup>nd</sup> November 2021 had been issued with the agenda for the meeting. The minutes were agreed to be an accurate record of the meeting and were signed by the Chair.

- b. **External minutes**

The external minutes of the Audit Committee meeting on 22<sup>nd</sup> November 2021 had been issued with the agenda for the meeting. The minutes were agreed to be an accurate record of the meeting and were signed by the Chair.

6. **Matters arising from the previous minutes (22<sup>nd</sup> November 2021) not covered elsewhere in the agenda.**

To review any matters arising from the minutes:

Board Assurance Framework benchmarking group (RSM) - AF advised the committee that he will be attending a group meeting with other colleges to discuss current approaches and will report back any proposals which may lead to potential improvements for the future.

7. **IT and cyber security (Confidential)**

The IT and cyber security report and plan from the consultant appointed to address IT and cyber security issues had been issued with the agenda for the meeting.

The details of the discussions are recorded in the confidential internal minutes of the meeting.

The Chair moved agenda item 11a up the agenda.

#### **Outstanding Audit Recommendations**

**11a. The updated register of the outstanding recommendations of the TiAA November 2018 cyber security audit had been circulated with the agenda for the meeting.**

DK drew the committee's attention to the updates which have been made to the outstanding recommendations which cover:

- Standard operating procedures
- Regular network scanning
- Breach response plan
- Matters arising from Audit Committee meetings in November 2019 and March 2020.

DK advised the committee that a risk register for IT security has been developed.

There were no further questions from the committee.

The Chair thanked DK for the report and his attendance at the meeting.

**DK left the meeting.**

CD – The committee unanimously agreed to close the register of outstanding audit recommendations of the TiAA November 2018 cyber security audit.

CD – The committee unanimously agreed to keep IT and cyber security progress reports on the Audit Committee agenda and to invite the VP Student Experience and External Relations to future meetings.

CD – The committee unanimously agreed to review the IT security risk register at its next meeting.

**Action – Clerk to close the register of outstanding audit recommendations of the TiAA November 2018 cyber security audit.**

**Action – Clerk to invite VP Student Experience and External Relations to future Audit Committee meetings and to request IT and cyber security reports for the committee.**

**Action – Clerk to add the IT security risk register to the Audit Committee meeting agenda for 13<sup>th</sup> June 2022.**

**8. Risk Assurance Register**

The Risk Assurance Register (March 2022) had been circulated with the agenda for the meeting.

The Finance Director drew the attention of the committee to the document and the RAG rating used.

GQ – Could some of the evidence of controls be seen in more detail?

**A – Requests for further information about specific control measures can be sent to AF by email.**

There were no further questions from the committee.

The Committee noted the Risk Assurance Register (March 2022).

**9. Interim Risk Management Report**

The Interim Risk Management Report (March 2022) had been circulated with the agenda for the meeting.

The format of the report has not changed.

The Finance Director drew the committee's attention to the key points around the top 6 risks within the report.

**GQ – What could be the impact of utility price increases?**

**A – As there has been no cap on commercial utility prices, previous increases have been reflected in the budget. Further increases are covered in the budget.**

The Interim Risk Management Report was noted by the Audit committee.

#### **10. Capital Projects Progress Report**

- a. The Capital Projects Progress Report had been circulated with the agenda for the meeting.

AF drew the committee's attention to the 3 embedded documents in the report which cover:

- The capex reserve plan
- Digital and T Level buildings gross funding
- Capex summary as required by ESFA

The Committee noted the Capital Projects Progress report.

- b. The paper outlining the proposal to be made to Corporation at its meeting on 28<sup>th</sup> March 2022 for a further cash reserves appropriation to capital had been circulated with the agenda for the meeting.

The committee noted and supported the proposal to be made to the Corporation on 28<sup>th</sup> March 2022 regarding a further cash reserves appropriation to capital.

- c. The paper as an appendix to item 10a which models a revised enrolment scenario of 2800 students had been circulated with the agenda for the meeting.

**GC – The appendix supports that the finance assumptions remain safe even if enrolment is lower than projected.**

AF advised that actual enrolment for September 2022 could lead to a revision of the plans.

The committee noted the appendix to item 10a modelling the revised enrolment scenario.

#### **11. Outstanding Audit Recommendations**

- a. The updated register of the outstanding recommendations of the TiAA November 2018 cyber security audit had been circulated with the agenda for the meeting.

This item was moved up the agenda.

- b. The updated register of the recommendations of the TiAA HR Audit (July 2020) had been circulated with the agenda for the meeting.**

AF advised that the Head of HR is close to a decision on the provider for the new HR system with implementation anticipated for January 2023. 1 staff member will be moving from Finance to the HR team to support the implementation.

The committee noted the updated register of recommendations of the TiAA HR Audit (July 2020).

**12. Internal audits 2021-2022**

To receive details of the planned internal audits for the 2021-2022 academic year as reported to the Audit Committee at its meeting on 22<sup>nd</sup> November 2021:

- a. Finance Core Processes (February 2022)

SG advised the committee that the final version of the audit report will be issued soon as amendments have been made following discussions with AF. Reasonable assurance is given overall, and SG made the following point:

- Corporation minutes need to explicitly state that the Corporation has approved the budget.

The Chair thanked SG for the report and his attendance at the meeting.

**SG left the meeting.**

**13. Policies**

The following policies for review were circulated with the agenda for the meeting:

- a. Partnership Strategy
- b. Procurement Strategy
- c. Procurement Policy
- d. Cirencester College Fees Policy 2022/2023 (note: deferred to 13<sup>th</sup> June 2022 meeting)

CD - The Audit Committee unanimously agreed to recommend the approval of the above policies by the Corporation at its meeting on 28<sup>th</sup> March 2022.

**Action – Clerk to add Partnership Strategy, Procurement Strategy and Procurement Policy to the agenda for the Corporation meeting on 28<sup>th</sup> March 2022.**

**14. Confidential - Auditor performance review**

The discussions are recorded in the confidential internal minutes of the meeting.

**15. For information - Recent documentation which informs the work of Audit Committee**

- a. College Accounts Direction 2020-2021 (version 2) updated December 2021 had been circulated with the agenda for the meeting. NB - The College Accounts Direction 2020-2021 (March 2021) had been received by Audit Committee on 14<sup>th</sup> June 2021.

- b. ILR Data Integrity Guidance (updated January 2022) had been circulated with the agenda for the meeting.
- c. The scope of work of audit committees and internal auditors in college corporations. (ESFA guidance document updated January 2022) had been circulated with the agenda for the meeting.

**16. Any Other Business**

There was no further business for the meeting.

**17. Date of the next meeting**

The next Audit Committee Meeting will take place on 13<sup>th</sup> June 2022 in the Board Room at Cirencester College.

The meeting closed at 6.40pm

Signature of Chair of Audit Committee: .....

*David EF*

~~Julian Tudsbury~~ *David Zan-huey*

Date: .....

*13/06/22*

Committee action from this meeting and outstanding business for the next meeting			Complete?
Item 7	Committee to invite VP Student Experience and External Relations to future Audit Committee meetings and to request IT and cyber security reports for the committee.	Clerk	Complete – email sent 21/3/2022.
Item 11a	Close the register of outstanding audit recommendations of the TiAA November 2018 cyber security audit.	Clerk to advise AF	Complete – email sent 21/3/2022.
Item 11a	Clerk to add the IT security risk register to the Audit Committee meeting agenda for 13 <sup>th</sup> June 2022.	Clerk	Complete – added to agenda for 13/6/2022.
Item 13	Clerk to add Partnership Strategy, Procurement Strategy and Procurement Policy to the agenda for the Corporation meeting on 28 <sup>th</sup> March 2022.	Clerk	Complete – on agenda for 28/3/2022.
Item 14	Clerk to add recommendation of the continuation of Mazar's contract for its final optional year to the agenda for the Corporation meeting on 28 <sup>th</sup> March 2022.	Clerk	Complete – on agenda for 28/3/2022.
Committee action from previous meetings.			
	None		

